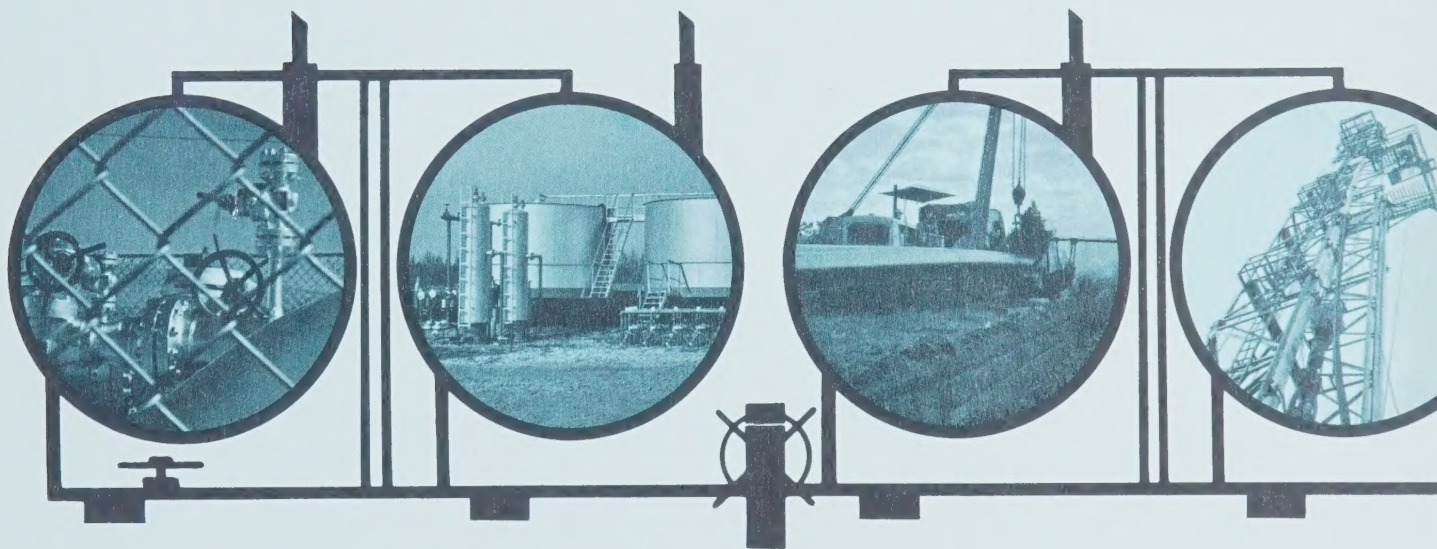


AR36

PROVO GAS PRODUCERS  
L I M I T E D



ANNUAL  
REPORT 1962

## Comparative Highlights

### FINANCIAL

	1962	1961
Gross Income (after royalties)	\$2,558,625	\$2,259,208
Operating Income (after royalties, operating and administrative expenses)	1,940,716	1,673,614
Net Income	495,259	591,513
Oil and Gas Development	898,973	575,195
Exploration and Dry Holes	398,982	109,145
Land Acquisitions	541,264	138,735
Gas Plant and Gathering Facilities	602,677	257,078
Working Capital (Deficit)	(75,163)*	1,323,690
Long Term Debt	3,626,500	3,941,500

\*The decline in working capital is due to major increases in capital expenditures including investments in affiliated companies.

### PRODUCTION

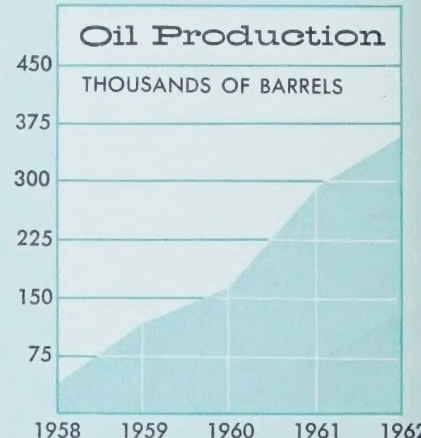
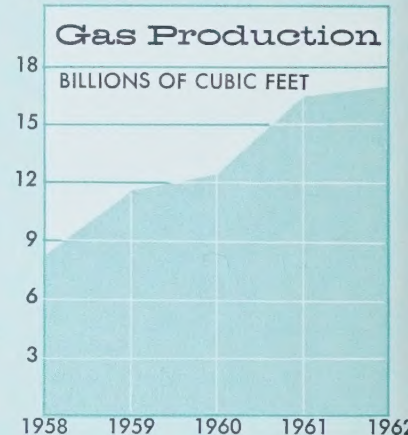
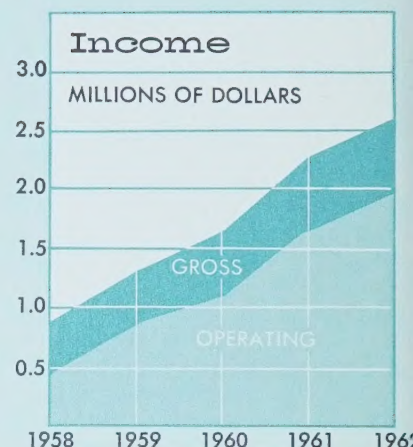
Gas Sales (billion cubic feet)	16.87	16.33
Crude Oil and Condensate Production (net barrels)	362,184	294,813

### RESERVES

Proven Gas Reserves (billion cubic feet)	564	575
Proven Oil and Condensate Reserves (net barrels)	5,854,000	4,600,000
Net Gas Wells	54	49.1
Net Oil Wells	51	46.1

### ACREAGE HOLDINGS

Gross	4,991,393	3,043,980
Net	1,159,497	988,273



#### Shareholders

4,334 56% CANADA

3,312 43% U.S.A.

59 1% OTHERS

#### Shares

5,917,798

1,792,658

105,110

DISTRIBUTION OF PROVO'S SHAREHOLDERS & SHARES



# ANNUAL REPORT 1962

## HEAD OFFICE:

706 - Seventh Avenue S.W., Calgary, Alberta

## DIRECTORS:

D. R. ANNETT . . . . . Toronto, Ontario  
D. C. COLLIN . . . . . Calgary, Alberta  
B. H. COREY . . . . . Calgary, Alberta  
C. S. DUNKLEY . . . . . Calgary, Alberta  
J. P. GALLAGHER . . . . . Calgary, Alberta  
W. V. MACINNES . . . . . Toronto, Ontario  
C. W. MICHEL . . . . . New York, N.Y.  
W. E. RICHARDS . . . . . Calgary, Alberta  
D. M. WOLCOTT . . . . . Calgary, Alberta

## OFFICERS:

J. P. GALLAGHER . . . . . *President*  
D. M. WOLCOTT . . . . . *Vice-President*  
W. E. RICHARDS . . . . . *Secretary*  
H. T. ASTLE . . . . . *Treasurer*

## REGISTRAR AND TRANSFER AGENT:

NATIONAL TRUST COMPANY LIMITED  
Calgary, Toronto, Montreal

## AUDITORS:

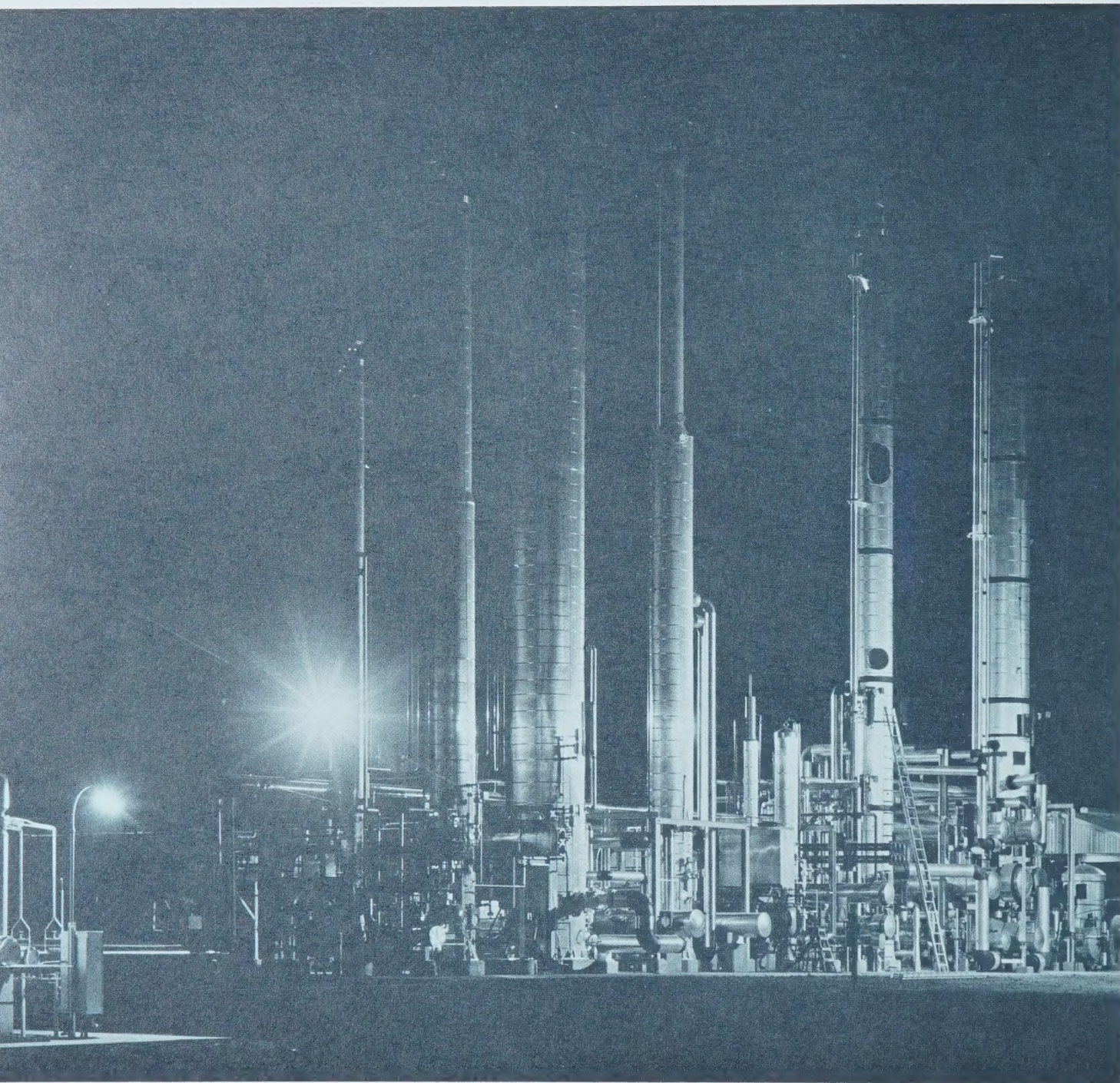
CLARKSON, GORDON & Co. . . . .  
Calgary, Alberta

## STOCK LISTED:

TORONTO STOCK EXCHANGE  
CANADIAN STOCK EXCHANGE

**PROVO GAS PRODUCERS  
LIMITED**





*Night view of a portion of the Edmonton gas plant. These facilities are capable of processing up to 70 million cubic feet of gas per day.*



# Report of the Directors

## TO THE SHAREHOLDERS:

It is a pleasure to present the seventh Annual Report on your Company's operations, together with audited financial statements.

As your Company's operations have expanded considerably during the past few years, we feel that a resume of the Company's history would be appropriate at this time.

Provo was incorporated in 1955 and was converted to a public company in 1956. During that year, Provo purchased all of Imperial Oil Limited's reserves in the Provost gas field for cash and acquired Dome Petroleum Limited's reserves in the Provost, Tofield and Westlock gas fields for shares. In May, 1956, Dome assumed the management of your Company's operations and completed the installations in the Provost field preliminary to the commencement of gas sales from that field to Trans-Canada Pipe Lines Limited in 1957. Since that date, the gathering and processing facilities have been expanded as the volume of gas sales to Trans-Canada increased. During 1962, Provo's share of the gross revenue from the Provost Unit (under the 25 year gas sales contract) totalled \$1,836,915. The development of and production from this field have more than met original expectations.

In 1959 your Company completed a \$4,500,000 bond financing. These funds were used to expand the plant and gathering system at Provost and to participate with Dome in developing new oil and gas prospects throughout Western Canada. As a result, Provo now holds working interests in 802 gross oil and gas wells (105 net wells) and 4,991,393 gross acres of oil and gas permits and leases (1,159,497 net acres). This enlarged ownership in both producing wells and in potentially productive acreage broadens the base of the Company's income and furnishes it with an excellent exposure to future developments.

In recent years, Provo has moved actively into the gas plant and liquefied petroleum gas business by acquiring a 40% equity interest in a \$12,000,000 gas plant at Steelman, Saskatchewan, and a 66 $\frac{2}{3}$ % equity interest in a gas processing plant at Edmonton, Alberta. When combined with the Provost operation, these 3 plants

have a total gas throughput in excess of 185 million cubic feet per day and a total annual production exceeding 54,000,000 Imperial gallons of propane, butane, iso-butane and natural gasoline in addition to the residue gas produced.

In order to improve the profit margin for the products from these plants, your Company, through its affiliates, has entered into the direct marketing of propane and butane. Major investments have been made in the principal mining towns of northern Manitoba.

Negotiations are currently being completed which involve significant expansions in our northern Manitoba marketing operations and the Edmonton gas plant.

Although these projects will require several years to reach their full profit potential, they have the advantage of normally enjoying a longer and increasing profit-life in contrast to oil and gas operations.

Your Company's activities during the past year and to the date of this report are reviewed in greater detail under their respective headings in the balance of this report.

## FINANCIAL

The Company's 1962 gross income, after all royalties, totalled \$2,558,625 compared with \$2,259,208 in 1961. Operating income, after all operating and administrative costs, increased to \$1,940,716 from \$1,673,614. Net income, after all charges including depreciation, depletion and amortization, was \$495,259 compared with \$591,513 last year. This reduction is the result of an increased exploration effort during the past year. All exploration expenses, including dry holes, are written off against income in the year in which they are incurred.

During the first quarter of 1963, gross income (after royalties) increased 6.5% to \$714,051 and operating income increased 7.2% to \$575,034 compared with the same period in 1962.



## EXPLORATION AND DEVELOPMENT

During 1962 Provo participated in drilling 35 wells which resulted in 13 gas wells, 10 oil wells and 12 dry holes. These included 4 gas and 2 oil discoveries in Alberta, 1 oil discovery in Saskatchewan and a marginal oil discovery in British Columbia.

Provo's exploratory drilling in Alberta last year included wholly-owned gas discoveries drilled in the Amisk and Royal Park (Vegreville) areas, a 16⅓% interest in a gas discovery in the Doig River area and an 8⅓% interest in a gas discovery drilled in the Twining area.

Provo also holds a 16⅓% interest in a stepout oil discovery in the Lochend area and a 25% interest in a 1962 oil discovery drilled in the Loon Lake area of northern Alberta. In this latter area, the Company carried out a geophysical survey last summer and drilled a stepout well early in 1963, which resulted in a dry hole. A farmout of one-third of your Company's interest in approximately 50% of this acreage has now been made which will result in further seismic and the drilling of 3 additional wells at no cost to your Company.

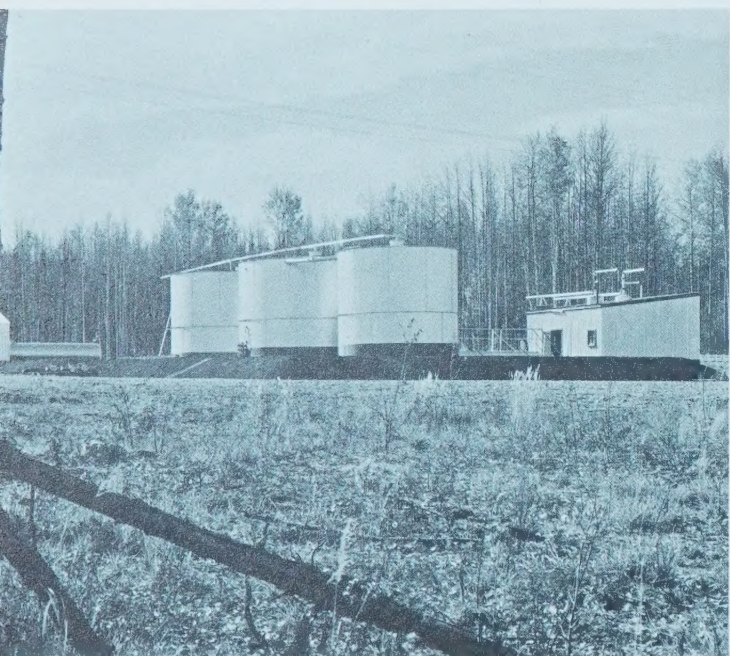
Four development wells were drilled in the Pembina oil field on 38.7% Provo interest acreage and interests were also held by your Company in development gas wells drilled in the Provost, Beaverhill Lake and Prevo areas.

Six development gas wells were drilled on Provo interest acreage in northeastern British Columbia in 1962. One of these was located on a lease in which your Company holds a 33⅓% interest, 2 were on 13.1% interest acreage and 3 were on acreage in which Provo holds a 25% net carried interest. Provo also has a 16⅓% participation in an indicated oil discovery well drilled southwest of the Boundary Lake oil field.

Provo holds a 33⅓% interest in a discovery oil well drilled 3½ miles southwest of the Pinto oil field in southeastern Saskatchewan. This year, 3 stepout wells have been successfully completed between the discov-



*A well drilling on Provo acreage in central Alberta. Provo's drilling program in 1962 increased 80% from the previous year.*



*Battery installations in the 26-well Pembina Unit No. 7 in central Alberta, in which Provo's interest is 38%.*



ery well and the Pinto field. Development drilling will continue in this area, where Provo has working interests in 19,045 gross acres, equivalent to 2,668 net acres. Your Company also holds a 33⅓% interest in a development well drilled in the Pinto oil field and a 20% interest in a development well drilled in the Midale field.

In September, 1962, Provo purchased a 4⅓% working interest in 1,224,050 acres of highly prospective oil and gas properties in the Yukon and Northwest Territories. Part of this acreage lies immediately north of the large Devonian gas discovery completed at Beaver River in northeastern British Columbia.

An exploratory well in the Kotaneelee area is being drilled by Pan American on a Provo interest permit at a location 13 miles north of the Beaver River well. A second well on this permit commenced drilling in late March, 1963, approximately 4 miles southeast of the Kotaneelee well.

## PRODUCTION

Provo's 1962 gas production totalled 16.87 billion cubic feet compared with 16.33 billion cubic feet in the previous year. These totals are equivalent to averages of 46.2 and 44.7 million cubic feet per day respectively.

Net oil and condensate production, after all royalties, was 362,184 barrels (992 barrels per day) compared with 294,813 barrels (723 barrels per day) in 1961.

At December 31, 1962, Provo held working interests in 122 gas wells, equivalent to 54 net gas wells, and 680 oil wells, equivalent to 51 net oil wells. The increase in the number of producing oil and gas wells results in part from the Company's greater participation in unitized field operations.

## RESERVES

The Company's proven gas reserves at December 31, 1962, were estimated at 564 billion cubic feet. This

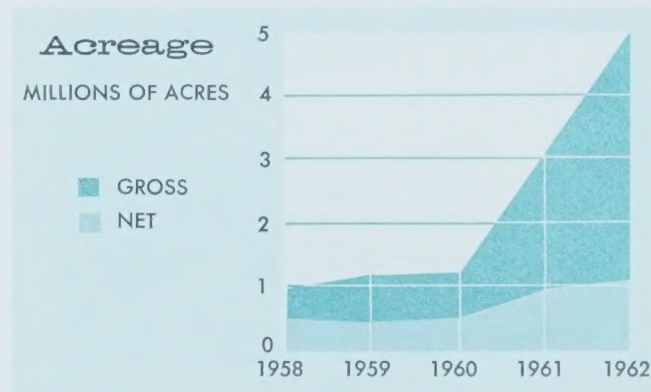
estimate excludes probable reserves. Oil and condensate reserves, net after royalties, were estimated at 5,854,000 barrels. Probable reserves and the heavy gravity oil reserves at Hughenden are excluded from this estimate.

Efforts to increase production from the Hughenden wells were made during the year with the installation of high volume pumps. The results of this work have been encouraging. The proposed installation of an oil pipeline receiving station at Hardisty (14 miles northwest of Hughenden) during 1963 should provide a market for this crude at a price which will make production from the field economic.

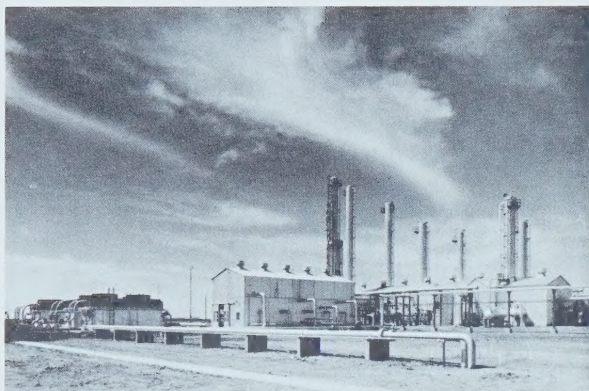
## ACREAGE

Provo's land holdings at December 31, 1962, totalled 4,991,393 gross acres of petroleum and/or natural gas rights in Western Canada and the Northwest Territories, equivalent to 1,159,497 net acres. The distribution of these holdings by Provinces is tabulated below:

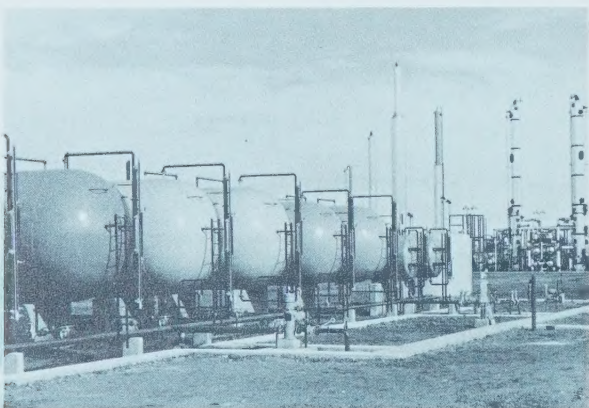
	Gross Acres	Net Acres
Alberta . . . .	1,258,471	483,541
British Columbia . .	484,011	78,864
Manitoba . . . .	15,998	7,284
Northwest Territories .	3,197,581	578,782
Saskatchewan . . .	35,332	11,026
1962 Total . . .	4,991,393	1,159,497
1961 Total . . .	3,043,980	988,273







*The Steelman gas plant in southeastern Saskatchewan, in which an expansion program was completed in 1962.*



*Propane and butane tanks at the Edmonton plant. These provide 250,000 Imperial gallons of storage for the plant products.*



*A 25,000 Imperial gallon "super jumbo" tank car used to transport propane from the Edmonton and Steelman plants to markets in northern Manitoba.*



*Part of the 1962 construction program in the Provost Unit which extended the gathering system to 19 additional unit wells.*



*International Nickel's Thompson townsite in northern Manitoba. An affiliated company operates a propane gas distribution system in this modern, well-planned town.*



## PROCESSING

### PROVOST GAS PLANT

Provo holds a 78.73% interest and is the operator of the Provost Viking Gas Unit in east central Alberta. The unit plant has the capacity to process and compress 80 million cubic feet of gas per day. The gas is gathered over a unit area of approximately 420 square miles through a system owned by the member companies in the Provost Unit.

During the past year, 19 additional unit wells were tied-in to the plant by extensions to the gathering system so that there are now 45 of the 50 unit wells connected and producing gas, which is sold under a long term contract with Trans-Canada Pipe Lines Limited.

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### STEELMAN GAS PLANT

Provo and Dome Petroleum Limited each owns 40% of the outstanding share capital of Steelman Gas Limited. Steelman owns and operates a gas processing plant in the Steelman area of southeastern Saskatchewan.

For the 6 months ended March 31, 1963, throughput averaged 33.181 million cubic feet per day. Gross income for this period increased 33% to \$1,313,000 compared with last year. Net income increased to \$372,000 from \$112,371. It is anticipated that the improvement shown in this period will continue for the second half of Steelman's fiscal year.

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### EDMONTON GAS PLANT

Provo owns 66⅔% and Steelman Gas Limited 33⅓% of Edmonton Liquid Gas Limited, which operates a 70 million cubic foot per day liquid gas extraction plant located immediately south of the city of Edmonton. This plant was placed on stream in late 1962 to extract propane and butane from pipeline gas produced in the Pembina, Bonnie Glen and Wizard Lake oil fields. Recent negotiations should result in a major increase in the amount of gas available from other fields for processing in this plant. In order to handle the increased volumes, the plant capacity will be expanded approximately 50% during the summer of 1963. As the plant was originally designed with the expectation of future expansions, the per unit cost of the 1963 program will be less than one-third of the per unit cost of the original plant.

## MARKETING

Provo owns 66⅔% and Steelman Gas Limited 33⅓% of Steelgas Limited, a wholly-owned subsidiary of Edmonton Liquid Gas.

Steelgas operates a major propane gas distribution facility in the town of Thompson, Manitoba, which is the site of a recent large mining development by the International Nickel Company. Additional bulk storage and distribution facilities are currently under construction in Flin Flon and neighbouring communities of northern Manitoba.

## PIPELINES

Your Company, through its wholly-owned subsidiary, Cochin Pipe Lines Ltd., recently made application to the National Energy Board for permission to construct and operate a products pipeline from the refineries in Regina, Saskatchewan, through Steelman's propane and butane storage facilities at Melville, Saskatchewan, to The Pas in northern Manitoba. This pipeline will carry all light petroleum products including jet fuel, gasoline, propane, butane, diesel and light fuel oils.

The line will be 6 inches in diameter, 320 miles in length, have an ultimate capacity of 17,000 barrels per day and cost \$6,600,000 to construct. It will have terminals at appropriate locations in the major agricultural communities en route to The Pas, which is the distribution centre for the rich mining area of northern Manitoba.

A public hearing will be held in May and it is hoped that permission will be granted by the National Energy Board in time to complete construction in 1963.

The proposed pipeline tariffs, calculated on the basis of detailed market surveys and economic studies, will effect substantial savings over current forms of transportation. It is therefore anticipated that the pipeline will enjoy a high level of utilization.

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Provo's growth and diversification during the past few years have been the result of the ability and the effort of all of the individuals employed in the Company's operations. The Directors wish to express their appreciation for this continued spirit of co-operation.

On behalf of the Board,



April 30, 1963.

President



Provo Gas Producers Limited and its wholly-owned subsidiaries

# CONSOLIDATED BALANCE

## ASSETS

	1962	1961
<b>CURRENT:</b>		
Cash . . . . .	\$ 98,904	\$ 121,631
Short term deposits at cost plus accrued interest . . . . .	100,165	1,410,333
Accounts receivable . . . . .	309,674	270,214
Inventory of casing and supplies at cost . . . . .	21,203	27,653
Prepaid expenses . . . . .	19,584	26,079
	<u>\$ 549,530</u>	<u>\$ 1,855,910</u>
<b>INVESTMENTS—At Cost:</b>		
Shares of Steelman Gas Limited (quoted market value 1962—\$427,453; 1961—\$876,300) . . . . .	\$ 1,118,170	\$ 1,092,160
Shares of subsidiary not consolidated (Note 1) . . . . .	400,002	—
Other . . . . .	66,035	66,035
	<u>\$ 1,584,207</u>	<u>\$ 1,158,195</u>
<b>PROPERTY, PLANT AND EQUIPMENT—At Cost (Note 1):</b>		
Producing properties (including well development expenditures) less accumulated depletion of \$1,118,771 (1961—\$857,298) . . . . .	\$ 7,866,587	\$ 7,613,379
Non-producing properties . . . . .	1,907,236	1,658,531
Gas plant and gathering system less accumulated depreciation of \$334,615 (1961—\$231,695) . . . . .	2,902,244	2,440,722
Production and other equipment less accumulated depreciation of \$285,301 (1961—\$170,860) . . . . .	929,525	722,841
	<u>\$13,605,592</u>	<u>\$12,435,473</u>
<b>OTHER:</b>		
Financing expenses less amounts written off . . . . .	\$ 78,241	\$ 84,900
Due from officer re purchase of shares . . . . .	36,828	49,104
Refundable deposits . . . . .	25,987	24,071
	<u>\$ 141,056</u>	<u>\$ 158,075</u>
	<u>\$15,880,385</u>	<u>\$15,607,653</u>

See accompanying notes.

### AUDITORS' REPORT TO THE SHAREHOLDERS OF PROVO GAS PRODUCERS LIMITED.

We have examined the consolidated balance sheet of Provo Gas Producers Limited and its subsidiaries as at December 31, 1962 and the consolidated statements of income and earned surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us, and as shown by the books of the companies, the accompanying consolidated balance sheet and consolidated statements of income and earned surplus



## SHEET

December 31, 1962 &amp; 1961

## LIABILITIES

CURRENT:	1962	1961
Accounts payable and accrued charges . . . . .	\$ 199,432	\$ 113,476
Due to affiliated companies . . . . .	53,761	41,494
Accrued interest on long term debt . . . . .	71,500	77,250
Serial Bonds due within one year . . . . .	300,000	300,000
	<u>\$ 624,693</u>	<u>\$ 532,220</u>
LONG TERM DEBT:		
5½% Secured Convertible Debentures due July 1, 1970 (subject to sinking fund) (Note 2) . . . . .	\$ 326,500	\$ 341,500
6% First Mortgage Sinking Fund Bonds Series A due September 1, 1974 (subject to sinking fund commencing in 1965) . . . . .	3,000,000	3,000,000
5¾% First Mortgage Serial Bonds Series A due \$300,000 annually . . . . .	600,000	900,000
	<u>\$ 3,926,500</u>	<u>\$ 4,241,500</u>
Less Serial Bonds due within one year included in current liabilities . . . . .	300,000	300,000
	<u>\$ 3,626,500</u>	<u>\$ 3,941,500</u>
SHAREHOLDERS' EQUITY (Notes 3 and 4):		
Capital —		
Authorized — 10,000,000 shares of no par value		
Issued — 7,815,566 shares . . . . .	\$10,608,653	\$10,608,653
Earned surplus (per Statement) . . . . .	1,020,539	525,280
	<u>\$11,629,192</u>	<u>\$11,133,933</u>
CONTINGENT LIABILITIES (Note 5)		
On behalf of the Board:		
J. P. GALLAGHER, <i>Director</i>		
D. M. WOLCOTT, <i>Director</i>		
	<u>\$15,880,385</u>	<u>\$15,607,653</u>

are properly drawn up so as to exhibit a true and correct view of the state of the affairs of Provo Gas Producers Limited and its subsidiaries as at December 31, 1962 and the results of their operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

In accordance with Section 122 of the Companies Act (Alberta) we report that no portion of the consolidated loss of the unconsolidated subsidiary company is included in the accompanying consolidated financial statements.

CLARKSON, GORDON & Co., *Chartered Accountants.*

Calgary, Alberta, March 29, 1963.



## Provo Gas Producers Limited and its wholly-owned subsidiaries

### Consolidated Statement of Income

Years Ended December 31, 1962 and 1961	1962	1961
INCOME:		
Natural gas sales less royalties . . . . .	\$1,673,491	\$1,538,951
Crude oil sales less royalties . . . . .	839,272	654,610
Other income . . . . .	45,862	65,647
	<u>\$2,558,625</u>	<u>\$2,259,208</u>
Less operating, general and administrative expenses . . . . .	617,909	585,594
Operating income before depreciation, depletion and other charges . . . . .	<u>\$1,940,716</u>	<u>\$1,673,614</u>
DEDUCT:		
Interest . . . . .	\$ 246,793	\$ 259,689
Acreage rentals on undeveloped properties . . . . .	188,335	148,309
Exploration, dry holes and lease abandonments . . . . .	398,982	109,145
Depreciation and depletion . . . . .	604,688	558,621
Amortization of financing expenses . . . . .	6,659	6,337
	<u>\$1,445,457</u>	<u>\$1,082,101</u>
Net income for the year (Note 6) . . . . .	<u>\$ 495,259</u>	<u>\$ 591,513</u>

### Consolidated Statement of Earned Surplus

Years Ended December 31, 1962 and 1961	1962	1961
Balance of surplus (deficit) at beginning of year . . . . .	\$ 525,280	\$ (66,233)
Add net income for the year . . . . .	495,259	—
Balance of surplus at end of year . . . . .	<u>\$1,020,539</u>	<u>\$ 525,280</u>

### Notes to Consolidated Financial Statements December 31, 1962

#### 1. Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Basco Petroleum Ltd., Provo Gas (Sask) Limited and Western Naco Petroleum Limited.

Edmonton Liquid Gas Limited, a partially-owned subsidiary, commenced operations in September 1962 and completed its break-in period early in 1963. In the opinion of management, the initial operating period is not typical of the operations of this subsidiary and accordingly the accounts of that Company and its subsidiary, Thompson Gas Limited, are not included in the consolidation. The Company's investment exceeds its equity in the consolidated net assets of Edmonton Liquid Gas Limited by \$186,423, representing the consolidated loss incurred during the period ended December 31, 1962.

The net excess of the cost of shares of consolidated subsidiaries over their net book value at dates of acquisition is included in property, plant and equipment.

#### 2. 5½% Secured Convertible Debentures

The Deed of Trust and Mortgage securing the 5½% Secured Convertible Debentures, issued by Western Naco Petroleum Limited, provides that debentures which have been redeemed or converted may be applied in satisfaction of sinking fund instalments. Up to December 31, 1962 debentures had been redeemed or converted in excess of sinking fund instalments by \$183,847 of which \$41,466 will be used for the sinking fund instalment due July 31, 1963.

#### 3. Capital

At December 31, 1962 there was an option outstanding to Dome Petroleum Limited, under the terms of a management contract, to purchase 219,000 shares of the Company's

capital stock at \$2.20 per share at any time until August 1, 1964 providing the management contract remains in force.

#### 4. Dividends

The deed of trust securing the Company's long term debt provides that, so long as any of such debt is outstanding, dividends may be paid by the Company to the extent of 70% of consolidated net earnings accumulated since January 1, 1959.

#### 5. Contingent liabilities

The Company has jointly and severally with Dome Petroleum Limited agreed that in the event Steelman Gas Limited, an affiliate, is unable to retire its then outstanding 6% First Mortgage Bonds on February 1, 1970, it will pay any deficiency required to retire such bonds to the extent of interest paid by Steelman on its 6% Debentures Series A under certain prescribed circumstances. No liability has been incurred under the agreement to December 31, 1962.

The Company was contingently liable as guarantor of the bank loans of an unconsolidated subsidiary company in the amount of \$150,000.

#### 6. Income taxes

Under Canadian income tax law, drilling and exploration expenditures may be deducted from income in the year of expenditure or, if such expenditures exceed the income for the year, the excess may be carried forward to the first subsequent year or years in which income exceeds current drilling and exploration expenditures. No provision for income taxes is required for the year ended December 31, 1962 and at that date an excess of drilling and exploration expenditures was available to be carried forward against future taxable income.



# Statement of Source and Application of Funds

Years ended December 31, 1962 and 1961

	1962	1961
<b>SOURCE OF FUNDS:</b>		
Net income for the year . . . . .	\$ 495,259	\$ 1,000,000
Add non-cash charges for depletion, depreciation, amortization, dry holes and leases abandoned . . . . .	880,002	1,200,000
CASH generated from operations . . . . .	\$1,375,261	\$1,200,000
Realization of other assets . . . . .	9,812	100,000
	<u>\$1,385,073</u>	<u>\$1,300,000</u>
<b>APPLICATION OF FUNDS:</b>		
Expenditures for property, plant and equipment . . . . .	\$2,042,914	\$1,200,000
Reduction in long term debt . . . . .	315,000	100,000
Investment in affiliated companies . . . . .	426,012	100,000
	<u>\$2,783,926</u>	<u>\$1,400,000</u>
Decrease in working capital . . . . .	<u>\$1,398,853</u>	<u>\$1,100,000</u>

## Statistical Review 1958-1962

Financial	1962	1961	1960	1959	1958
Gross income (after royalties) . . . . .	\$ 2,558,625	\$ 2,200,000	\$ 2,000,000	\$ 1,800,000	\$ 1,600,000
Operating income (after royalties, operating & administrative costs) . . . . .	1,940,716	1,700,000	1,500,000	1,300,000	1,100,000
Net income (loss) . . . . .	495,259	1,000,000	1,200,000	1,000,000	800,000
Exploration & dry holes . . . . .	398,982	400,000	400,000	400,000	400,000
Rentals on non-producing properties . . . . .	188,335	150,000	150,000	150,000	150,000
Land acquisitions . . . . .	541,264	500,000	500,000	500,000	500,000
Oil & gas development . . . . .	898,973	800,000	800,000	800,000	800,000
Gas plant & gathering facilities . . . . .	602,677	600,000	600,000	600,000	600,000
Investments in affiliated companies (at cost). . . . .	1,584,207	1,000,000	1,000,000	1,000,000	1,000,000
Working capital (deficit) . . . . .	(75,163)	200,000	200,000	200,000	200,000
Long-term debt . . . . .	3,626,500	3,000,000	3,000,000	3,000,000	3,000,000
<b>Operating</b>					
Gas production (billion cubic feet) . . . . .	16.87	15.0	14.0	13.0	12.0
Crude oil & condensate production (net barrels) . . . . .	362,184	300,000	300,000	300,000	300,000
Proven gas reserves (billion cubic feet) . . . . .	564	500	500	500	500
Proven oil reserves (net barrels) . . . . .	5,854,000	5,000,000	5,000,000	5,000,000	5,000,000
Wells drilled . . . . .	35	30	30	30	30
Net gas wells . . . . .	54	44.3	40	40	38.5
Net oil wells . . . . .	51	26.8	20	20	9.4
Acreage—gross . . . . .	4,991,393	4,500,000	4,500,000	4,500,000	4,500,000
Acreage—net . . . . .	1,159,497	1,000,000	1,000,000	1,000,000	1,000,000

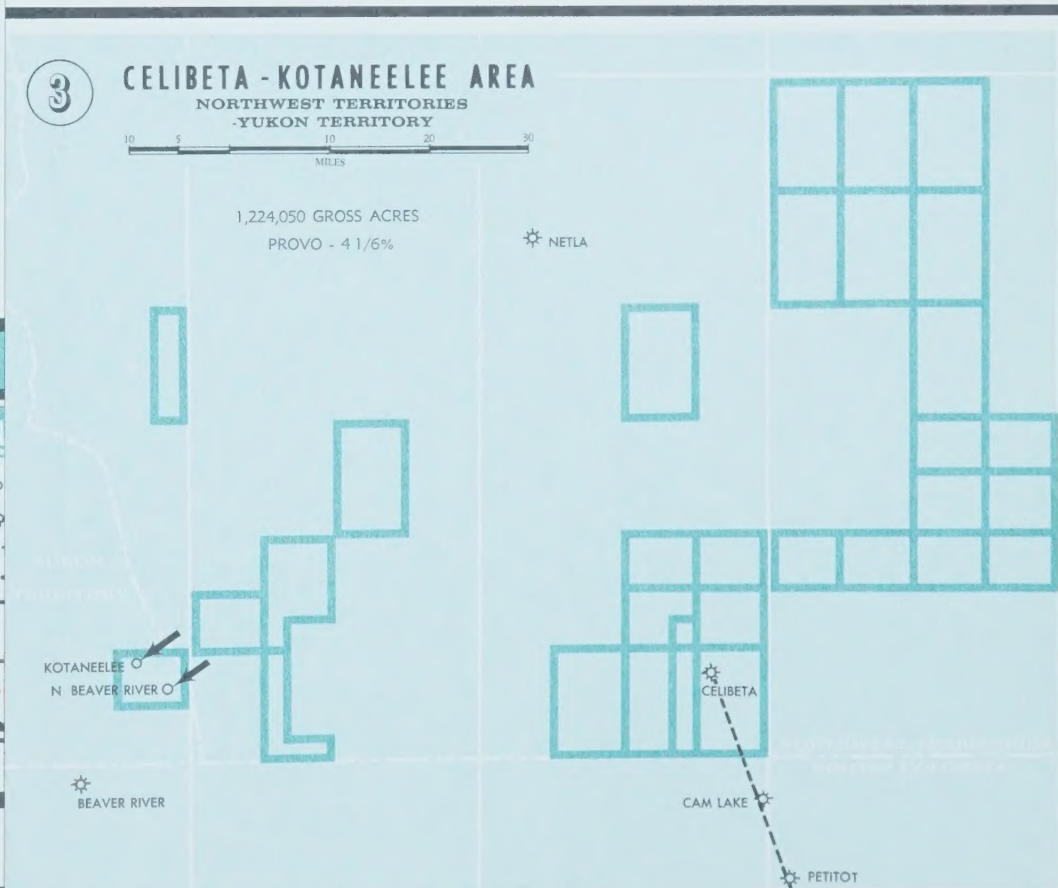
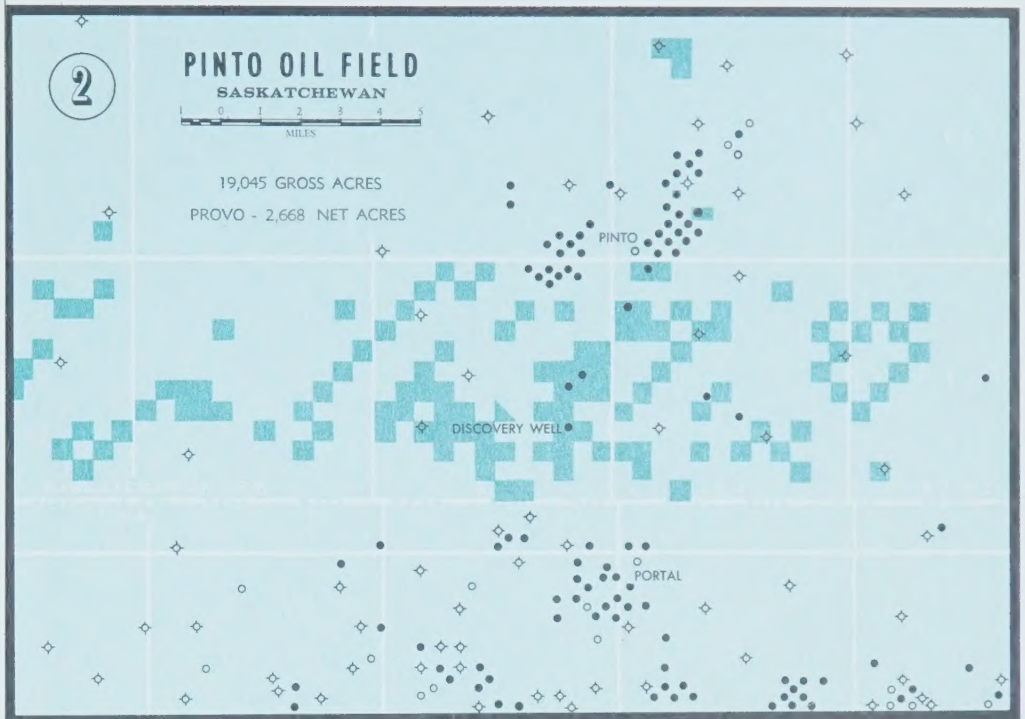




# NORTH EAST BRITISH COLUMBIA










## LEGEND

PROVO CROWN P. & N.G. LEASE	_____
PROVO CROWN P. & N.G. PERMIT	_____
Proposed Location or Drilling Well	_____
Oil Well	•
Gas Well	☆
Abandoned Well	○
Oil Pipeline	.....
Oil Pipeline (Proposed)	.....
Gas Pipeline	_____
Gas Pipeline (Proposed)	_____
Applies to Western Canada Map Only	
Oil Pipeline	_____
Oil Pipeline (Proposed)	_____
Gas Pipeline	_____
Gas Pipeline (Proposed)	_____
Gas Plant	_____
Marketing Outlet	_____
AREAS OF LEASE INTEREST	
PROVO CROWN P. & N.G. PERMIT	_____
Gas Fields	_____
Oil Fields	_____









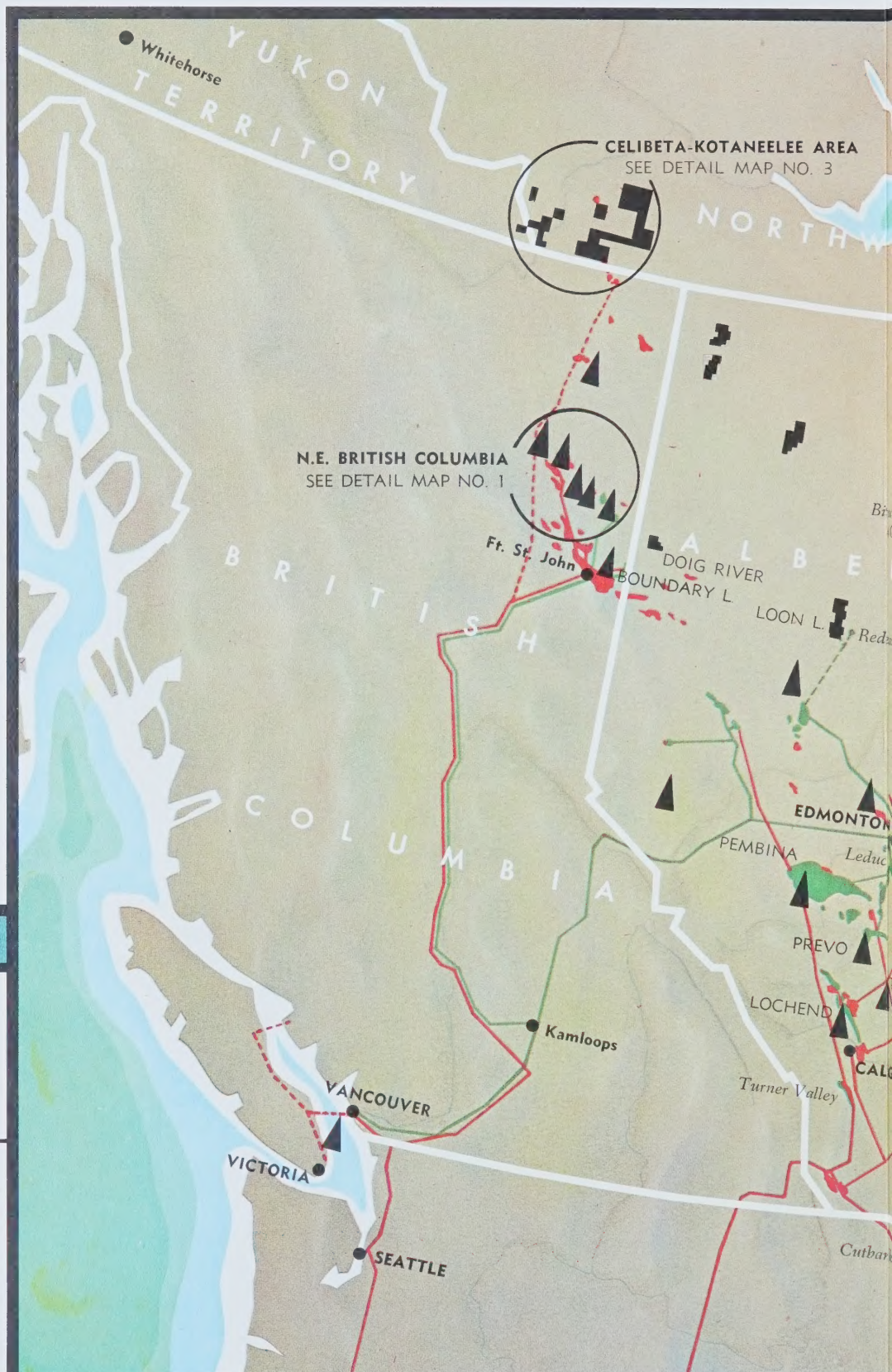


## LEGEND

PROVO CROWN P. & N.G. LEASE \_\_\_\_\_   
 PROVO CROWN P. & N.G. PERMIT \_\_\_\_\_   
 Proposed Location or Drilling Well \_\_\_\_\_   
 Oil Well \_\_\_\_\_ • Gas Well \_\_\_\_\_ \* Abandoned Well \_\_\_\_\_ ◊  
 Oil Pipeline ..... Oil Pipeline (Proposed) .....  
 Gas Pipeline \_\_\_\_\_ Gas Pipeline (Proposed) -----

Applies to Western Canada Map Only

Oil Pipeline \_\_\_\_\_ Oil Pipeline (Proposed) -----  
 Gas Pipeline \_\_\_\_\_ Gas Pipeline (Proposed) -----  
 Gas Plant \_\_\_\_\_  Marketing Outlet \_\_\_\_\_   
 AREAS OF LEASE INTEREST \_\_\_\_\_   
 PROVO CROWN P. & N.G. PERMIT \_\_\_\_\_   
 Gas Fields \_\_\_\_\_  Oil Fields \_\_\_\_\_ 





# PROVO INTERESTS IN WESTERN CANADA

